



UNITED STATES MARINE CORPS

MARINE CORPS LOGISTICS BASES

814 RADFORD BOULEVARD

ALBANY, GEORGIA 31704-1128

BO 4200.15

803-3

17 Feb 93

BASE ORDER 4200.15

From: Commander

To: Distribution List

Subj: FIXED PRICE PROGRAM FOR MAINTENANCE

Ref: (a) NavCompt Manual, Vol III
(b) NavCompt Manual, Vol V

Encl: (1) Fixed Bid Quotation Sheet

1. Purpose. To establish a fixed price procedure for depot maintenance workloads for use by the Marine Corps Logistics Bases.

2. Background. The Office of the Assistant Secretary of Defense has directed the military services to implement the "fixed price" concept for maintenance workloads. Fixed pricing provides the performing activity with an incentive to accomplish work or services within a set price and enables the customer to plan, budget, and execute orders with a greater degree of confidence than possible on a cost reimbursable basis.

3. General. Implementation of the fixed price concept will include the following categories of depot maintenance workload: Principal End Items, Secondary Depot Repairables, and modifications with at least 1 year's data. All fixed price bids will use an actual Materiel Rate Indicator (MRI) to compute cost of services provided.

4. Definitions

a. Fixed Price Order. A request for work or services at a delivered price mutually agreed upon prior to the commencement of any work on an order. Fixed price orders are binding per paragraph 035412 of reference (a).

b. Negotiation. The process and terms by which the customers and the Repair Divisions (Codes 880/B880) will meet to agree/disagree on the conditions and prices of the fixed price bid.

c. Statement of Work (SOW). A document that accurately describes the essential and technical requirements for items, materials, or services including the standards used to determine whether the requirements have been met.

FIXED BID QUOTATION SHEET

MWSLIN:	FY	JOB QUANTITY:
NOMENCLATURE:		UNIT CIV HRS:
NSN:		UNIT MIL HRS:
STANDARD UNIT COST:		UNIT SFA MAT:
REPAIR LIMITATION:	\$0	UNIT ASA MAT:
FP % OF SUC:	ERR	UNIT BID PRICE:
MRI:		UNIT UNFUNDED COST:

TERMS AND CONDITIONS

SCHEDULE	1ST QTR	2ND QTR	3RD QTR	4TH QTR	C/O	TOTAL
INDUCTION	0	0	0	0	0	0
PRODUCTION	0	0	0	0	0	0

FIXED PRICE BID AGREEMENTS AND REMARKS

DMRI:	_____	DATE/REV:
IROAN STANDARD:	_____	DATE/REV:
REBUILD STANDARD:	_____	DATE/REV:
DMWR:	_____	DATE/REV:
OTHER:	_____	DATE/REV:

	SIGNATURE	DATE
DIRECTOR, MOBILE EQUIPMENT/ORDNANCE DIVISION OR	_____	_____
DIRECTOR, COMMUNICATION-ELECTRONICS MISSILE DIVISION	_____	_____
DIRECTOR, REPAIR DIVISION	_____	_____
PRINCIPAL DIRECTOR, ILSD (CODE 82)	_____	_____
PRINCIPAL DIRECTOR, MAINTENANCE DIRECTORATE (CODE 88)	_____	_____

ENCLOSURE (1)

Divisions (Codes 880/B880) for work or services to be performed is a fair and reasonable price.

(7) Coordinate rejected bids with the Repair Divisions (Codes 880/B880) and the ILSD (Codes 830/840) to resolve and resubmit final bids for approval and signatures within 5 working days.

(8) Coordinate requests for the renegotiation of fixed price bids when submitted in writing and containing supporting documentation within 5 working days.

(9) Ensure the Repair Divisions (Codes 880/B880) guarantee policy is in accordance with paragraph 054014 of reference (b).

b. Director, Repair Divisions (Codes 880/B880); Maintenance Directorate

(1) Ensure that work and services performed are within the prices and conditions cited within the bid.

(2) Ensure the enclosure includes the below listed information:

(a) A Master Work Schedule Line Item Number for identification purposes.

(b) Exceptions to appropriate standards.

(c) The amount of the fixed price.

(d) The date by which the offer must be accepted.

(e) Signatures of official(s) submitting fixed price bids and conditions.

(f) Known wash-out factor included in bid price.

(3) Identify deficiencies in the SOW to the Maintenance Directorate (Code 88) with a copy to the ILSD (Codes 830/840) prior to submission of the fixed price bid.

(4) Prepare and provide the enclosure to the Maintenance Directorate (Code 88) for review 90 days after receipt of the SOW.

(5) Ensure performance can be accomplished within current established work programs.

(6) Ensure 1 year of historical data is available prior to scheduling under fixed price.

(7) Negotiation guidelines:

concurrence/nonconcurrence and return to the Maintenance Directorate (Code 88) within 5 working days.

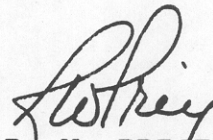
(6) Fixed Price Bid Sheets (enclosure (1)) will be considered "Business Sensitive."

d. Executive Director for Financial Management (Code 460).

(1) Receive Operation and Maintenance (O&M)/Defense Business Operating Fund (DBOF) funding in the operating budget for equipment maintenance.

(2) Issue funding authorizations to ILSD (Codes 830/840) for equipment maintenance execution.

6. Applicability. This Order is not applicable to the Blount Island Command.


R. W. PRICE
Executive Director
for Logistics Operations

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